Notices of claims about unintended benefit

2322. SHRI SHANKARRAO NARAYANRAO DESHMUKH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that notices in regard to claims about unintended benefit made by formulators and importers on account of difference in price of Analgin, Ephodrine, Rifampicin, Cloxacillin, Dipyradamol, Dextropropoxyphene, Gentamycin, Metranidazole, Theophylline, Betamethasone, Doxycyline, Aminophylline were given;

(b) if so, when and name of each party;

(c) what is the notified price of each and on what price of bulk drug each formulation price was fixed;

(d) in how many cases information required has been obtained and the claims have been processed;

(e) whether it is a fact that unintended benefit made by drug industry since 1979 comes to around Five hundred Crores on all the drugs under price control; and

(f) how much money has been collected so far under Equalisation Fund Account from formulators and importers alongwith details of each?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a), (b) and (d) to (f) Names of the companies and the bulk drugs for which they were issued notices for recovery into the Drugs Prices Equalisation Account have already been indicated in reply to Rajya Sabha Unstarred Question No. 1844 answered on 12th August, 1985. Whenever any instance of the bulk drug having been procured at a price less than the price allowed in the formulations comes to the notice of the Government, notice is issued under Para 7 of the Drugs (Prices Control) Order, 1979. The process of revovery is in accordance with due procedure of Law. One of the manufacturer namely M/s. Fulford India Ltd. have filed a Writ Petition in the Delhi High Court against the notice of recovery. The Writ Petition is yet to be admitted and matter is now listed for hearing on 9th September, 1985.

(c) Of the bulk drugs, referred to the prices of the following have been fixed under the Drugs (Prices Control) Order, 1979:—

(Rs. Kg.)

Sl. No.	Name of the Drug	Price fixed
1.	Analgin . . .	224 00
2.	Ephededrine Hcl. .	847 00
3.	Gentamycin . .	23 50 (gm)
4	Metronidazole .	363.00
5.	Doxycycline . .	5456.00
6.	Betamethasone Alcohol	113 34 (gm)
7.	Betamethasone 17 Valerate . . .	105 85 (gm)
8.	Betamethasone Di-Sodium Phosphate .	126 23 (gm)

The remaining bulk drugs are either not produced or the process of their fixation of prices is at advanced stage. In fixing the prices of formulations, the indigenous notified prices, wherever such prices have been fixed, have been allowed, and where such prices have not been notified the average cost of input have been allowed.

Guidelines for distribution of Soda Ash

2323. SHRI G. SWAMY NAIK:
PROF. B. RAMACHANDRA RAO:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have issued new guidelines for the distribution of Soda Ash during 1985-86;

(b) if so, what are the details thereof;

(c) what percentage of the monthly production of manufacturers are reserved for the supply through the cooperatives and the Super Bazar; and

(d) whether this quantity is likely to be lifted by the domestic/retail consumers?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI VEERENDRA PATIL): (a) Yes, Sir.

(b) and (c) The main features of the guidelines are as follows:

(i) Manufacturers of Soda Ash should allocate Soda Ash to the industrial consumers to the extent of their best offtake during any of the preceeding 3 financial years, subject to a pro-rata cut in case production is less.

(ii) In respect of new units or units closed due to strike, lockouts etc. supplies will be made initially to the extent of their quarterly requirements and further allocations will be made on the basis of the best offtake of the initial quarter.

(iii) The requirements of an industrial consumer may be determined by taking into account offtake during preceeding 3 years from all sources, in order to take into account different channels of distribution.

(iv) At least 20% of the monthly production shall be reserved for supplies to cooperative channels like Super Bazars, State Cooperative outlets, Dhobi Sanghs etc.

(d) The guidelines also provide that in case the entire 20% reserved for cooperatives etc., is not lifted by such consumers, the balance quantity should be supplied to the actual industrial users.

Managing Director of German Remedies

2324. SHRI SHANKARRAO NARAYANRAO DESHMUKH: Will the Minister of INDUSTRY AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that extension regarding further stay of managing Director of German Remedies has not been agreed to by Government;

(b) if so, what are the main reasons for the same;

(c) whether it is a fact that another German National has been permitted by Government for empolyment in the Company;

(d) if so, his name, qualifications, nature of employment, salary and the terms of the contract;

(e) what is the justification of such approval when a number of highly qualified experienced Indians are available; and

(f) what is Government's policy in this ragard?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS (SHRI ARIF MOHAMMAD KHAN): (a) Yes, Sir.

(b) The reappointment of Mr. H. J. Voss as Managing Director of the company was not approved as the Government was not satisfied, under section 269(3) of the Companies Act, 1956 that Mr. Voss was a fit and proper person to be appointed as such and that his appointment would not be against public interest. This conclusion was reached after it came to Government's notice that the company had violated, during Mr. Voss's tenure, certain conditions of an industrial licence granted to the company to manufacture formulations based on Oxyfedrine Hydrochloride and provisions of Drug Price Control Order (DPCO), 1979 and for not supplying correct information about im-